

WYRE FOREST DISTRICT COUNCIL

AUDIT COMMITTEE
28th JUNE 2009

Annual Governance Statement

SUSTAINABLE COMMUNITY STRATEGY THEME	Internal Organisational Theme
CORPORATE PLAN THEME:	Improving Corporacy & Performance
CABINET MEMBER:	Councillor John Campion
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APPENDICES:	Appendix A Annual Governance Statement

1. PURPOSE OF REPORT

- 1.1 This report is to approve the Annual Governance Statement declaring the degree to which it meets the Governance Framework for inclusion within the Statement of Accounts.

2. RECOMMENDATION

- 2.1 The Audit Committee is asked to approve:**

The Annual Governance Statement which is attached at Appendix A.

3. BACKGROUND

- 3.1 On 18th August 2006, the DCLG (Department for Communities and Local Government) issued circular 03/2006 and Section 7 states that proper practice in relation to internal control relates to guidance contained in two documents:
- Statement on Internal Control in Local Government; meeting the requirements of the Accounts and Audit Regulations 2003, published by CIPFA in 2004
 - Corporate Governance in Local Government; A Keystone for Community Governance (Framework and Guidance Note), produced by CIPFA/SOLACE in 2001 (which has been updated in 2007)
- 3.2 The circular and the new CIPFA/SOLACE governance framework requires an annual governance statement and CIPFA has also confirmed that the annual governance statement will replace the SIC with effect from 2007/8 reporting year (i.e. from 1st April 2007).
- 3.3 The Audit Committee approved the adoption of the CIPFA/SOLACE code at the meeting on the 17 March 2008 and the subsequent review on the implementation on 15 March 2010

- 3.5 In relation to the 2009/10 Annual Governance Statement it is proposed to use existing processes in relation to the review of the control system, collation of information and compilation and monitoring of the Annual Governance Statement.

4. KEY ISSUES

- 4.1 In establishing the draft documents the following pieces of evidence were considered within the current Assurance Framework:
- Internal Audit reports, following the annual report from the Financial Services Manager;
 - External Audit reports;
 - Assurance Statements completed by senior staff;
 - Strategic Risk Register;
 - External Inspection findings including;
 - Other relevant information.
- 4.3 Following consideration by the Corporate Management Team the Annual Governance Statement is now presented to the Audit Committee for approval, prior to the signing by the Chief Executive and the Leader of the Council.
- 4.4 The draft Annual Governance Statement for 2009/10 is shown at Appendix A, this document has been prepared in line with the CIPFA/SOLACE guidance.

5. FINANCIAL IMPLICATIONS

- 5.1 There are no financial implications relating to this report.

6. LEGAL & POLICY IMPLICATIONS

- 6.1 It is a requirement under the Accounts and Audit Regulations 2003 (amended 2006) that the Council prepares an Annual Governance Statement.

7. RISK MANAGEMENT

- 7.1 The Governance Framework pulls together all of the Council's information in relation to governance. In doing so the Council has regard for the Corporate Risk Register and approach to Risk Management. It is essential that the Council acts upon the significant governance issues that have been identified within the Annual Governance Statement.

8. CONCLUSION

- 8.1 The Council is required to complete an Annual Governance Statement which is required to:

- Consider the arrangements required for gathering assurances for the preparation of the annual governance statement
- Consider the robustness of the Authority's governance arrangements
- Monitor any actions arising from the review of arrangements.

- 8.2 The final statement is submitted to the Audit Committee for approval on 28 June 2010.

9. CONSULTEES

9.1 None.

10. BACKGROUND PAPERS

10.1 CIPFA Finance Advisory Network The Annual Governance Statement Meeting the requirements of the Accounts and Audit Regulations 2003, Incorporating Accounts and Audit (Amendment) (England) Regulations 2006 Rough Guide for Practitioners with effect from 2007/8.

10.2 DCLG Circular 03/2006.

10.3 Delivering Good Governance in Local Government CIPFA/SOLACE.

10.4 Code of Practice for Internal Audit in the UK CIPFA 2006.